



#### **Research Brief**

# Is There Support for a Houston Independent School District Bond?

The Houston Independent School District (HISD) is seeking a \$4.4 billion bond aimed at addressing critical infrastructure and educational needs. Branded as "Renew HISD," the package would rebuild and modernize over 40 campuses, upgrade HVAC systems, improve campus security, and expand early childhood and career and technical education programs.<sup>1</sup>

Officials have said if the proposal is approved by voters in November, the bond will not result in an increase in the district's debt service tax rate of about 17 cents per \$100 in taxable property value, effectively extending a tax rate that was set after the passage of HISD's last bond initiative in 2012.

The public response has varied. While a significant portion of the community supports the initiative, citing the urgent necessity for school improvements and technological advancements, others express skepticism. Concerns primarily focus on the district's past financial management and mistrust of officials in the context of the state-mandated takeover of the district in June of last year.<sup>2</sup>

To address these concerns, HISD established a community advisory committee and initiated a series of public engagement hearings to gather feedback and provide transparent information about how the bond funds would be allocated and managed.

As the district was preparing its proposal, the Kinder Institute for Urban Research fielded survey questions in January to the Greater Houston Community Panel to understand public support for a bond.

Results of that survey were shared with district officials, and a follow-up survey was conducted in August to determine whether public support had changed. This brief summarizes the main findings of the January survey with additional discussion of what was learned in the August follow-up survey.

#### **Data and methods**

The Greater Houston Community Panel is a longitudinal cohort of about 7,500 adult residents in Harris County. Participants are surveyed four times a year on a variety of topics including public safety, parks and greenspace, and financial stability and hardship. For the January 2024 survey, a series of questions were asked about residents' attitudes toward public education funding, including support for a voter-approved bond. There were 5,376 respondents to the survey between January 22 and February 16, for a panel response rate of over 70%. Of those, 2,594 live in HISD's boundaries. When the overall sample is weighted, this sample of HISD respondents look similar demographically to adults living within HISD's boundaries (Figure 1). This representative sample of HISD residents is of particular interest because they will be eligible, whether

<sup>1</sup> Renew HISD / home. / Home. (n.d.). https://www.houstonisd.org/ Page/202275

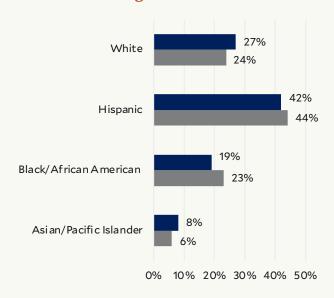
<sup>2</sup> Zuvanich, A. (2024, June 5). Houston ISD community members express skepticism about \$4.4 billion bond proposal. Houston Public Media. <a href="https://www.houstonpublicmedia.org/articles/news/education-news/hisd/2024/06/05/489777/houston-isd-community-members-express-skepticism-about-4-4-billion-bond-proposal/">https://www.houstonpublicmedia.org/articles/news/education-news/hisd/2024/06/05/489777/houston-isd-community-members-express-skepticism-about-4-4-billion-bond-proposal/</a>

they are HISD parents or not, to vote on the HISD bond during the November election.

Additionally, the summer wave of the GHCP survey was administered on July 25. This wave included a follow-up question about residents' support for adding an education bond measure to the November ballot. Although the administration window for the summer survey remains open until August 25, a total of 3,565 respondents completed the survey between July 25 and August 7, including 1,902 HISD residents. This preliminary subset reflects residents' views before the board's August 8 vote to approve the bond for the November ballot.

#### FIGURE

## Study respondents living within HISD's boundaries are similar demographically to all adults living within HISD.



■ Study sample ■ All residents

Sources: The United States Census Bureau & Kinder Institute for Urban Research-Urban Data Platform Team. (2024). American Community Survey (ACS) - Five-Year Estimates - Frequently Used Variables (Version 8) [dataset]. Rice University-Kinder Institute: UDP. <a href="https://doi.org/10.25612/83719257M7AKSOV">https://doi.org/10.25612/83719257M7AKSOV</a>

Kinder Institute survey, January-February 2024

#### What is a school district bond?

Texas law says a school district may issue bonds for two purposes—general or special. Bonds for general purposes include construction, acquisition, and equipment of school buildings in the district, the purchase of new school buses, and the purchase of necessary sites for school buildings and may be presented to voters in one proposition. Each special purpose project must have its own proposition and include:

- the construction, acquisition, or equipment of:
  - a stadium;
  - a swimming pool;
  - a recreational facility other than a gymnasium, playground, or play area;
  - a performing arts facility; or
  - housing for teachers as determined by the district to be necessary to have a sufficient number of teachers for the district; or
- acquisition or update of technology equipment, other than equipment used for school security purposes or technology infrastructure integral to the construction of a facility.<sup>3</sup>

A bond package that includes the specific uses of the bond proceeds and estimated costs for each project is approved by the school board and then voted on by citizens. This bond package includes a specific maximum dollar amount a district is allowed to sell and requires the statement: "THIS IS A PROPERTY TAX INCREASE." The district then sells bonds as municipal bonds to investors, with the date and time of the sales determined by the school board based on the funding needs for specific projects. Bonds must be paid back to investors with interest from the debt service portion of the school district's tax rate. Bonds mature at different times, but payout cannot exceed 40 years.<sup>4</sup>

<sup>3</sup> Texas Education Code, Chapter 45: School District Funds. (n.d.). https://statutes.capitol.texas.gov/Docs/ED/htm/ED.45.htm

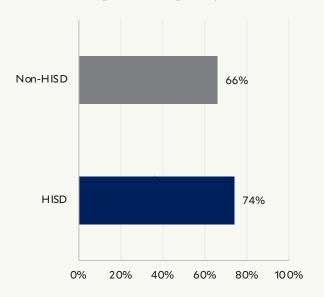
<sup>4</sup> How do school bonds work? (2022, October 26). We Go Public. Retrieved May 6, 2024, from <a href="https://www.wegopublic.com/resources/white-papers/how-do-school-bonds-work/">https://www.wegopublic.com/resources/white-papers/how-do-school-bonds-work/</a>

## **Key Findings**

#### Most respondents agreed that Houstonarea public schools need significantly more funding to provide a quality education.

Significant support exists for additional public education funding in general, especially among those living within HISD's boundaries. Seventy-four percent of HISD respondents agreed that public schools need significantly more money to provide a quality education, compared to 66% of Houston-area residents living outside of HISD boundaries (Figure 2).

Most survey respondents
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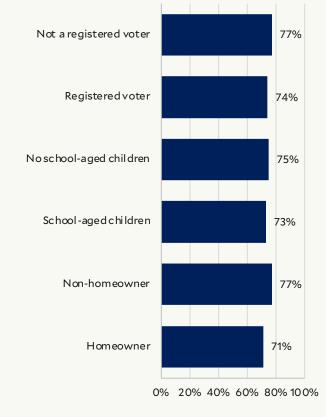
Sources: The United States Census Bureau & Kinder Institute for Urban Research-Urban Data Platform Team. (2024). American Community Survey (ACS) - Five-Year Estimates - Frequently Used Variables (Version 8) [dataset]. Rice University-Kinder Institute: UDP. https://doi.org/10.25612/83719Z57M7AK5OV Kinder Institute survey. January-February 2024

Support was high regardless of whether HISD residents own a home, have school-aged children, or are registered to vote (Figure 3).

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Among HISD residents

Among HISD residents, support for increased public education funding is high among registered voters, parents with school-aged children, and homeowners.



Percentage supporting increased funding

Source: Kinder Institute survey, January-February 2024

Percentage supporting increased funding

### Support for an HISD bond is high, but only if it increases property taxes marginally.

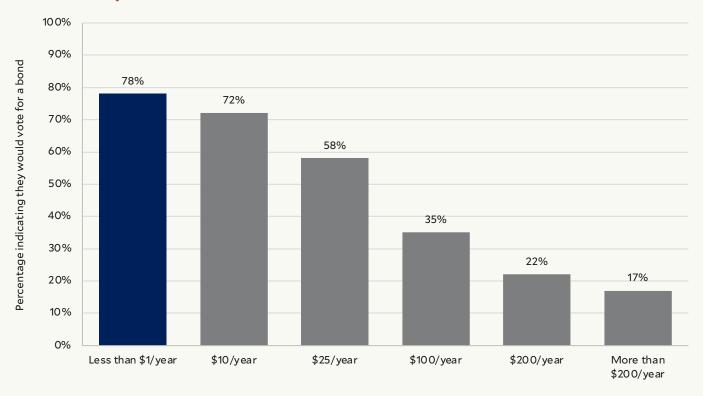
In January, nearly 8 in 10 (78%) respondents living in HISD said they would vote for a bond that resulted in tax increases of \$1 or less. Support for a bond decreased substantially if it raised taxes beyond \$25 per year. (Figure 4).

In August, 76% supported a bond that resulted in tax increases of \$1 or less, similar to the January result reflected in Figure 4.

The bond proposed by HISD will not increase the district's debt tax rate, but an individual property owner's tax bill can increase as a result of increasing property values over time.

#### FIGURE 4

The majority of HISD residents who responded to the survey indicated they would vote for a bond, especially if it did not raise property taxes at all or by only a small amount.



Property tax increase

Source: Kinder Institute survey, January-February 2024

HISD residents identified updated campus safety and security measures and additional career and technical education facilities as the top spending priorities for the additional funding raised by a bond measure.

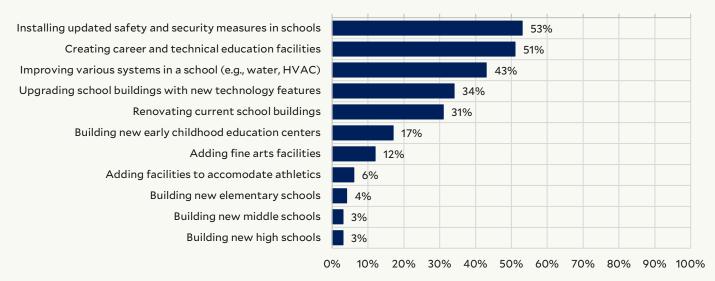
Over 50% of respondents identified updated school safety and security measures and additional career and technical education (CTE) facilities, such as the Barbara Jordan Career Center, as priorities for additional funding generated by a bond measure (Figure 5).

FIGURE

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The top priorities for bond spending among HISD residents are updated campus security and safety measures, additional career and technical education facilities, and improved school infrastructure.

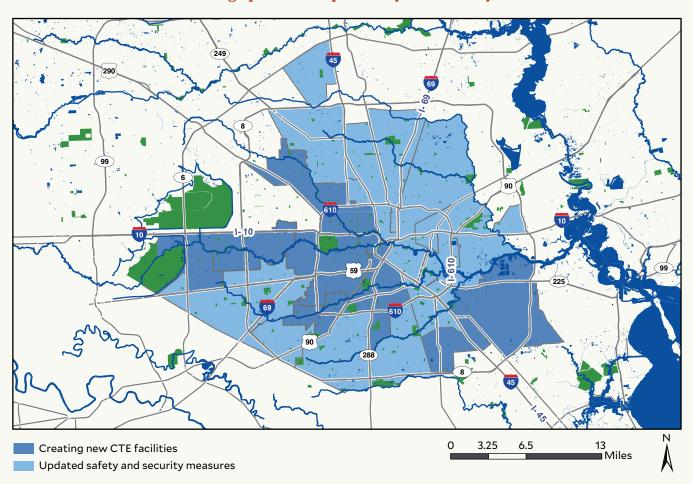
What are the top priorities you would like to see HISD spend bond funds on?



Note: Respondents could choose more than one answer, so this graph will not add up to 100%. Source: Kinder Institute survey, January-February 2024

The top priorities for bond spending among HISD residents varied by geography. Those living in the western portion of the district identified additional CTE facilities as a top priority, while those in the northeast identified updated safety and security measures. This pattern may be partly explained by the presence of the Barbara Jordan Career Center, which is located near the Interstate 69-Loop 610 interchange in the northeast (Figure 6).

The top priorities for bond spending among HISD residents varied somewhat by geography, with those in the west favoring additional CTE facilities, and those in the northeast favoring updated campus safety and security.



#### HISD residents expressed a strong interest in being directly involved in bond planning and decision making.

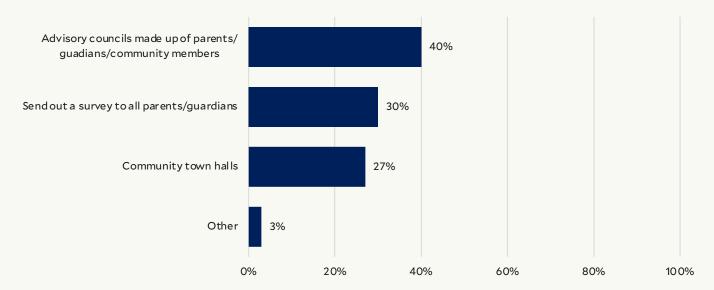
Forty percent of respondents asked for a bond-planning advisory council that includes parents and community members. In addition, 30% of respondents indicated the district should engage with the community through surveys of parents, and another 27% would like engagement through community town halls (Figure 7).

In May, HISD formed a community advisory board comprising 28 members to guide discussions about the bond plan. In addition, five town hall meetings were held in May and June.

FIGURE

HISD residents prefer direct engagement in bond planning and decision making through the creation of an advisory council of community members.

How should your school district engage with the community in planning how the money raised by a bond should be spent?



Source: Kinder Institute survey, January-February 2024

## **Conclusion**

Findings from the survey indicate significant support for increased education funding among respondents who live within HISD's boundaries. This support, however, does not necessarily translate into support for a bond that substantially increases property taxes. While bond spending priorities vary somewhat by geography, half of HISD residents overall identified campus safety and security measures and additional CTE facilities as top priorities. Finally, HISD residents expressed a strong interest in being directly involved in bond planning and decision making through advisory committees, surveys, and interactive town hall meetings.

Between the two surveys fielded in January and August, HISD announced a \$450 million budget deficit and widespread staffing cuts, including the removal of popular principals and teachers. <sup>5,6</sup> Despite these challenges, the survey found support for a school bond remained high.

Menchaca, M. (2024, May 9). HISD confirms widespread job cuts for teachers, custodians and principals for the 2024-25 school year. Houston Chronicle. <a href="https://www.houstonchronicle.com/news/houston-texas/education/article/hisd-confirms-layoffs-2024-25-school-year-19449192.php">https://www.houstonchronicle.com/news/houston-texas/education/article/hisd-confirms-layoffs-2024-25-school-year-19449192.php</a>

<sup>6</sup> Mizan, N. (2024, May 13). HISD parents protest job cuts and forced resignations: 'How do you fire the Principal of the Year?' Houston Chronicle. <a href="https://www.houstonchronicle.com/news/houston-texas/education/article/hisd-parents-protest-job-cutsprincipals-teachers-19452840.php">https://www.houstonchronicle.com/news/houston-texas/education/article/hisd-parents-protest-job-cutsprincipals-teachers-19452840.php</a>

#### Mission

The Kinder Institute for Urban Research builds better cities and improves lives through data, research, engagement and action.

#### **About**

The Houston Education Research Consortium (HERC) is a research-practice partnership between the Kinder Institute for Urban Research and 10 Houston-area school districts. HERC aims to improve the connection between education research and decision making for the purpose of equalizing outcomes by race, ethnicity, economic status, and other factors associated with inequitable educational opportunities.

